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The Director of Central Intelligence

Washington, D.C. 20505

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National Intelligence Council

MEMORANDUM FOR:

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FROM:

Robert D. Vickers, Jr.

National Intelligence Officer for Latin America

SUBJECT:

Agenda for March 1987 Latin America ,

Warning and Forecast Meeting

- 1. The March Latin America Warning Meeting will be held on Wednesday, 18 March 1987 at 1015 hours in Room 7E32, CIA Headquarters. Invited agencies and components should please keep their representatives to a necessary minimum because of space limitations.
- 2. We intend to discuss the following countries/topics: Nicaragua, Suriname, and the debt crisis.

<u>Nicaragua</u>:

While rebel reinfiltration continues and the fighting has intensified, the insurgents' political leadership remains in apparent disarray, damaging the rebels' image abroad and threatening external aid. Efforts to heal the rifts between the various factions seem to be moving slowly. What is the impact of Cruz' resignation? What is the viability of the most recent proposals for reforming UNO? How do each of the factions see these schemes? Who are the most likely candidates for an expanded UNO directorate? What efforts are the Sandinistas making to undermine resistance unity? Meanwhile, Managua continues to show interest in the Arias peace proposal and intends to participate in the Central American presidential summit in Guatemala, now tentatively scheduled for late April.

Under what conditions might Managua accept the Arias proposal? Will Arias allow the proposal to be folded into the Contadora process? What will be the likely positions of the other mediators and Central American governments? What are the implications for Core Four unity? (State - 30 minutes)

Suriname

The military stalemate between the rebels and the Bouterse regime continues, but insurgent attacks against economic targets are straining the government and civil unrest is increasing. Meanwhile, Paramaribo

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continues to flirt with Libya looking for both economic and military assistance. What is the current status of the fighting: does either side seem to be gaining an edge and does the regime seem to be preparing for a major offensive against the rebels? What are the prospects for the Surinamese initiative to strengthen relations with Libya? If Bouterse leaves the scene, would Brunswick assume control? If not, who would likely fill the political vacuum? (CIA/ALA - 30 minutes)

Brazil and the External Debt Crisis

The political and economic crisis initiated by Brazil's decision to suspend foreign interest payments could prove more serious to bilateral relations with the US and to the international financial community than any of the previous debt crises of the mid-1980s. Brazil thus far has refused to accept internationally-monitored adjustment programs and other debtors are watching the negotiations closely. How will Brazil's posture evolve on the question of resuming payments? What are the factors for and against a tough debt posture, and what factors could weaken Sarney's domestic support in the near term? Have there been any indications that other debtor countries in Latin America could follow Brazil's lead? (CIA/ALA - 20/30 minutes)

3. Please have your clearances passed with your attendance plans no later than cob Tuesday, 17 March.

Robert D. Vickers, Jr.